Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Early Learning & Children's Services Committee

HB 3121

Brief Description: Concerning child welfare services.

Sponsors: Representative Kagi; by request of Department of Social and Health Services.

Brief Summary of Bill

- Adds a representative of foster youth to the Child Welfare Transformation Design Committee (TDC).
- Expands the role of the TDC.
- Extend the deadline by which the DSHS must convert existing contracts for child welfare services to performance-based contracts from January 1, 2011 to July 1, 2011.
- Specifies that contracting for child welfare services must be accomplished in a manner that does not jeopardize receipt of federal funding.
- Makes certain technical and clarifying changes.

Hearing Date: 1/28/10

Staff: Sydney Forrester (786-7120).

Background:

In 2009 the Legislature enacted Second Substitute House Bill 2106 (SSHB 2106), which, among other things, established a Child Welfare Transformation Design Committee (TDC) to select two demonstration sites and develop performance measures and criteria for contracting of child welfare case management services. The TDC includes representation from the following entities:

- the Office of the Governor:
- the Office of the Attorney General;

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- the Children's Administration within the Department of Social and Health Services (DSHS);
- the Office of the Family and Children's Ombudsman;
- the Indian Policy Advisory Committee convened by DSHS;
- the Racial Disproportionality Advisory Committee convened by the DSHS;
- the bargaining representative for the largest number of Children's Administration's employees;
- nationally recognized experts in performance-based contracting;
- private agencies providing child welfare services in Washington;
- parents with experience in the dependency process;
- Partners for Our Children (POC):
- superior court judges; and
- foster parents.

Since its initial meeting, the TDC has included a former foster youth in its deliberations. Because the representation of foster youth is not listed in statute, however, the representative of foster youth has not had formal voting rights in the TDC's decision making. In its most recent and second quarterly report to the Legislative Children's Oversight Committee and the Governor, the TDC recommended the Legislature amend the statute to include a representative of foster youth on the TDC, and that the representative have full voting rights.

The TDC is charged with selecting two demonstration sites and developing the transition plan under which the DSHS will contract for all child welfare in the demonstration sites, including the following case management functions:

- conducting child-caseworker visits;
- arranging for family visits;
- convening of family group conferences;
- development and revision of the case plan;
- coordination and monitoring of services needed by the child and family;
- performance of court-related duties, including preparing court reports and attending hearings; and
- ensuring the child is progressing toward permanency within state and federal mandates, including the federal Indian Child Welfare Act.

Based upon the reports from the Washington State Institute for Public Policy, the Governor must, by June 1, 2015, determine whether to expand the demonstration sites or terminate the contracting of all child welfare services, including case management services. The Governor must inform the Legislature of the decision within seven days of making the determination. Regardless of the Governor's decision regarding expansion or termination of the demonstration sites, the DSHS must continue use of performance-based contracts to the extent that it contracts for child welfare services.

Performance-Based Contracting.

The DSHS contracts with multiple private providers for the purchase of various child welfare services, including individual and group counseling or therapy; group care and behavioral health services; assessment and treatment for chemical dependence, domestic violence, or mental health needs; reunification services; and adoption services. These contracts are fee-for-service contracts with both non-profit and for-profit entities. The SSHB 2106 required the DSHS to

consolidate and convert existing contracts to performance-based contracts by January 1, 2011. The TDC has recommended this date be extended to July 1, 2011, to allow sufficient time for the DSHS and contracted providers to consolidate and convert contracts.

All child welfare case management services are provided by the DSHS only. Federal law requires that states maintain care and placement authority of youth for whom child welfare funding is being received and spent. Implementation of the demonstration sites will require the DSHS to contract with supervising agencies for case management services.

Summary of Bill:

The date by which the DSHS must convert all contracts for the purchase of child welfare services to performance-based contracts is extended from January 1, 2011, to July 1, 2011.

The membership of the TDC is expanded to include a representative of foster youth who will be selected by the co-chairs of the TDC. The representative may be a youth currently in foster care, or a recent alum.

Following the selection and implementation of the demonstration sites, the TDC is directed to develop recommendations for the Governor and the Legislature for a competitive contract-bidding process to allow state employees to bid for performance-based contracts to provide child welfare services, including case management services in the demonstration sites, if the demonstration sites are continued at the direction of the Governor. State employees, along with private nonprofit organizations and Indian tribes, are to be preferred over private, for-profit entities if the demonstration sites are continued or expanded.

The TDC is directed, when selecting the demonstration sites and developing the transition plan for the demonstration sites, to maintain the care and placement authority of the DSHS at a level that does not jeopardize federal funding eligibility and that also provides flexibility and will maximize federal funding opportunities.

The definition of supervising agency is clarified to be consistent with the intent of the demonstration sites. The authority of Indian tribes to provide their own child welfare programs is expressly recognized.

Appropriation: None.

Fiscal Note: Requested on January 25, 2010.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

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